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## REMARKS

### I. STATUS OF THE CLAIMS

Favorable reconsideration and allowance of the present claims is respectfully requested. Claims 26-157 are pending in the present application. Claims 26, 48, 58, 85, 118, 122, 130, and 135 are independent claims.

Claims 26-157 are generally directed to a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24). The system also enables the individual to conduct anonymous transactions using a prepaid negotiable instrument (Application page 3, lines 8-9).

In particular, claim 26 is directed, among other things, to aspects of an improvement to a licensed money transmitter payment system for issuing a negotiable instrument (such as a "CASH CARD" or money order or other type of instrument) in response to a direct deposit of funds at an affiliated regulated financial institution.

Claim 48 is directed, among other things, to aspects of a method for a licensed money transmitter to issue a prepaid negotiable instrument (not necessarily a card) based on direct deposit of funds at a regulated financial institution.

Claim 58 is directed, among other things, to aspects of a computer-controlled negotiable instrument payment system based on direct deposit of funds at a regulated financial institution, utilizing a licensed money transmitter's computer system.

Claim 85 is directed, among other things, to aspects of a method for a licensed money transmitter to provide direct deposit capability to individuals not having a pre-

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established relationship with a regulated financial institution, and to conduct financial transactions with a cash card for accessing funds corresponding to the direct deposit.

Claim 118 is directed, among other things, to aspects of a method for a licensed money transmitter to issue a prepaid negotiable instrument to an individual based on the direct deposit of funds at a regulated financial institution, based on use of an account number and a PIN.

Claim 122 is directed, among other things, to a computer-controlled negotiable instrument payment system for use by a licensed money transmitter, for conducting negotiable instrument transactions conducted by an individual based on the direct deposit of funds at a regulated financial institution.

Claim 130 is directed, among other things, to aspects of a method for a licensed money transmitter to provide an anonymous prepaid negotiable instrument (not necessarily a card) and process anonymous transactions on behalf of the holder of the instrument.

Claim 135 is directed, among other things, to aspects of a method for processing financial transactions associated with an anonymous negotiable instrument such as a payment card issued by a licensed money transmitter.

It should be understood that the above summary is being presented not by way of limitation, or formal characterization, or to be subject to an estoppel, as the summaries are for the convenience of the examiner in ascertaining the differences between the subject matter of the claims to thereby facilitate examination.

## II. ISSUES PRESENTED

By way of the Office Action dated November 20, 2003, Examiner Akers rejected claims 26-157 under 35 U.S.C. §103(a) as being unpatentable over *Downing et al.* in view of *Gustin et al.*, *First Data Corporation* (1996), and *Jennings et al.* Accordingly, at least two distinct issues have been raised:

- (1) Has the Examiner made a *prima facie* case of obviousness?

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(2) In view of *Downing et al.*, *Gustin et al.*, *First Data Corporation*, and *Jennings et al.*, would the claimed subject matter have been obvious to one of ordinary skill in the art at the time the invention was made?

Before addressing each issue, a review of the cited references is provided for the convenience of the Examiner.

**A. U.S. Patent No. 5,963,647 to *Downing et al.* ("*Downing*")**

*Downing* is directed to a system and method that supports transfer of funds from a source account to a cash access file for cardless withdrawal by both customers and non-customers of a particular financial institution (col. 3, lines 44-47). The cash access file can be accessed from a customer activated terminal (CAT) virtually twenty-four hours a day by both customers and non-customers (col. 3, lines 56-58). Access is achieved by the recipient entering a codeword selected by the sender, along with a transaction code randomly generated by the system (col. 3, lines 58-60). Once the sender provides the codeword and the transaction code to the recipient, the recipient can receive transferred cash through an ATM, even without using the card to access the system (col. 3, lines 61-64).

**B. U.S. Patent No. 5,897,625 to *Gustin et al.* ("*Gustin*")**

*Gustin* is directed to an automated banking machine system that performs usual ATM functions but that additionally cashes money orders and checks for the user without the presence or assistance of a teller (col. 3, lines 66-67 to col. 4, lines 1-3). The automated banking machine system allows the depositing of cash into the machine and provides additional functions, such as transferring money by wire, depositing cash into an account or purchasing end user items from the machine (col. 4, lines 4-8).

**C. *First Data Corporation* (1996) ("*First Data*")**

*First Data* is a website providing a general description of the services offered by Western Union Financial Services, a subsidiary of First Data Corporation. The description provides that Western Union offers services for the transfer of money

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and messages. Specifically, the website provides that "Western Union continues today to help consumers and businesses securely transfer money and make payments using money orders and other electronic systems." (page 1). The "About Us" page of the website includes a comprehensive list of the various First Data Corporation subsidiaries and a brief description of the services offered by each. The "Global Advertising Strategies" page of the website highlights the efforts of Western Union Financial Services International to campaign to various European communities.

**D. U.S. Patent No. 5,825,003 to Jennings et al. ("Jennings")**

*Jennings* is directed to a system in which funds can be transferred to an account based on customer information that can be automatically accessed by the system rather than needing to be manually entered (col. 2, lines 43-46). The system automatically computes exchange rates and any fees to be charged to the account and displays them to the user so that the user can authorize or cancel the transaction (col. 2, lines 47-50). The system also analyzes the parameters of the transfer to assure that the transfer conforms to pertinent government regulations (col. 2, lines 50-52).

**III. THE EXAMINER HAS FAILED TO MAKE A PRIMA FACIE CASE OF OBVIOUSNESS TO SUPPORT A REJECTION UNDER 35 U.S.C. §103(A) OVER U.S. PATENT NO. 5,963,647 TO *DOWNING ET AL.* IN VIEW OF U.S. PATENT NO. 5,897,625 TO *GUSTIN ET AL.*, *FIRST DATA CORPORATION* (1996), AND U.S. PATENT NO. 5,825,003 TO *JENNINGS ET AL.***

By way of an Office Action dated November 20, 2003, claims 26-157 were rejected under 35 U.S.C. §103(a) as being obvious over *Downing et al.* in view of *Gustin et al.*, in view of *First Data*, and further in view of *Jennings et al.* This rejection is respectfully traversed.

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art,

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to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference or combination of references must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on Applicants' disclosure. *In re Vascek*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991); MPEP §2142.

It is respectfully submitted that the Examiner has failed to make a *prima facie* case to support a rejection of any claims under 35 U.S.C. §103(a) over *Downing* in view of *Gustin*, *First Data*, and *Jennings*. First, there is no suggestion or motivation to modify the references or combine the reference teachings. Second, there is no reasonable expectation of success of combining the reference teachings. Finally, the combination of references does not teach or suggest all elements of Applicants' claims.

**A. There is No Suggestion or Motivation to Modify the References or Combine the Reference Teachings.**

Obviousness can only be established by combining or modifying the teachings of the prior art to product the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); *In re Jones*, 958 F.2d 347, 21 U.S.P.Q.2d 1941 (Fed. Cir. 1992).

Applicants submit that the Examiner has failed to identify any suggestion or motivation to modify the references or combine the teachings of *Downing*, *Gustin*, *First Data*, and *Jennings*. As such, the Examiner has failed to make a *prima facie* case of obviousness under 35 U.S.C. §103(a). Therefore, the rejection is improper and should be withdrawn.

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1. U.S. Patent No. 5,963,647 to Downing et al.

By way of the Office Action dated November 20, 2003, the Examiner asserted that:

Downing teaches a method of issuing a negotiable instrument to an individual comprising detecting a direct deposit of funds into a first account of an individual and maintained by a first entity and transferring the funds unto [sic] a second account (Abstract)(Fig 5A).

Applicants respectfully disagree with this characterization. Neither the Abstract nor FIG. 5 of *Downing* makes even remote reference to this description provided by the Examiner.

*Downing* is directed to a system and method that supports transfer of funds from a source account to a cash access file for cardless withdrawal by both customers and non-customers of a particular financial institution (col. 3, lines 44-47). *Downing* enables transfer of funds from one party to another using a codeword selected by the sender and a transaction code randomly generated by the system (col. 2, lines 58-60). The codeword and transaction code must be provided to the recipient by means of telephone or otherwise (col. 7, lines 6-10).

Cardless withdrawal of funds cannot rationally be considered to be a "negotiable instrument". Transfer of funds from a source account to a cash access file cannot rationally be called a "direct deposit of funds". The cited portions of *Downing* are simply inapposite and provide no motivation to modify the reference or combine teachings.

2. Combination of *Downing* with U.S. Patent No. 5,897,625 to Gustin et al.

By way of the Office Action dated November 20, 2003, the Examiner asserted that:

It would have been obvious to one skilled in the art at the time the invention was made to combine *Downing* in view of *Gustin* to teach the above. The motivation to combine is to teach a method of transferring funds for customers in an ATM-like machine for buying

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money ordersa [sic] and transferring funds as enunciated by Gustin(col 3, lines 56-63) [sic].

(Office Action, page 4).

The Examiners assertion is not understood. The Examiner has failed to explicitly state what combination "above" is allegedly taught. Furthermore, the Examiner has failed to state how a method of transferring funds using an ATM relates to a licensed money transmitter, or to direct deposit of funds, or to the creation of a negotiable instrument, or to automatic sweeping of funds from one account to another.

The cited portion of *Gustin* states that:

There is a need for an automatic banking system which includes an ATM-like machine that performs and allows a number of service options, such as for example the withdrawing of cash, the depositing of cash, the cashing of a check, the cashing of a money order, the buying of a money order, the transferring of funds by wire, paying a bill and purchasing of end user items.

(col. 3, lines 56-63).

Applicants respectfully disagree with the Examiner's attempted use of *Gustin*. Applicants submit that one of ordinary skill in the art would not be motivated to combine the teachings of *Gustin* with *Downing*.

*Gustin* is directed to an automated banking machine system that performs usual ATM functions but that additionally cashes money orders and checks for the user without the presence or assistance of a teller (col. 3, lines 66-67 to col. 4, lines 1-3). The banking machine system optically reads the check or money order and verifies authenticity of the signature (col. 4, lines 9-16) before performing any of a variety of typical banking operations that may occur, including a wire transfer (FIG. 9). *Downing* teaches use of a CAT to transfer funds from one party to another (col. 6, lines 21-28). In particular, *Downing* enables transfer of funds from one party to another using a codeword selected by the sender and a transaction code randomly

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generated by the system (col. 2, lines 58-60). The codeword and transaction code must be provided to the recipient by means of telephone or otherwise (col. 7, lines 6-10).

*Gustin* does not provide a motivation to combine the teachings of *Gustin* with *Downing* as asserted by the Examiner. While both references use ATM-like devices, the teachings of *Gustin* are directed to a significantly more complex means of transferring funds from one person to another, and not between an account at a regulated financial institution and a transaction account with a licensed money transmitter. Indeed, the wire transfer function disclosed by *Gustin* entails the following extensive procedure:

If the user had selected the wire transfer option in FIG. 9 and had depressed the arrow key 27a for wire transfer, the screen of FIG. 19 would be displayed on the user's display 20 prompting the user to use the keyboard 18 to enter the name of the person to whom the money is to be wired. Then the screen display 20 would request the name of the bank, as shown in FIG. 19A, which will be entered, such as First American. The next request of the user is shown in FIG. 19B and that is for the Federal routing code or the routing for the bank for the transfer. The routing is to be typed in by the user using the keyboard. The number "7896654" has been typed in as the federal routing code in FIG. 19B. The account number of the receiver is then requested, as shown in FIG. 19C. The account number in this instance is shown as "987-87654" and has been typed in by the user using the keyboard 18.

(col. 19, lines 10-25). The wire transfer function of *Gustin* involves several steps, including entering the name of the recipient, the name of the bank, the Federal routing code of the bank, and the account number for the recipient (col. 19, lines 10-25). Therefore, one would not look to *Gustin* to modify the teachings of *Downing*.

Furthermore, one would certainly not look to *Gustin* to modify the teachings of *Downing* to arrive at any of Applicants' claimed inventions. In particular, one of ordinary skill in the art would not look to *Gustin* to modify the teachings of *Downing* to arrive at a system or method involving a licensed money transmitter, direct deposit



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of funds, sweeping the funds to an account of another entity, or issuing a negotiable instrument, as set forth in certain of Applicants' claimed inventions. As will be discussed in additional detail below, neither *Downing* nor *Gustin*, alone or in combination, teach a system or method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Likewise, neither *Downing* nor *Gustin*, alone or in combination, teach or suggest a system that enables the individual to conduct anonymous transactions using a prepaid negotiable instrument.

Given that there is no suggestion or motivation to combine the teachings of *Downing* and *Gustin*, the Examiner has failed to make a *prima facie* case of obviousness under 35 U.S.C. §103(a) with respect to the combination of *Downing* and *Gustin*. Therefore, the rejection is improper and should be withdrawn.

3. Combination of *Downing* with *First Data Corporation* (1996)

By way of the Office Action dated November 20, 2003, the Examiner asserted that:

First Data Corporation through its Western Union Financial Services, and Telecheck(Page 1)also [sic] teaches automatic sweeping of funds into a second account from a first account with no individual name. It would have been obvious to one skilled in the art at the time of the invention to combine *Downing* in view of *Gustin* and further in view of *First Data* to teach part of the disclosure. The motivation to combine is to teach a method of transferring funds for customers domestically and internationally as enunciated by *First Data*.

(Office Action, page 4).

Applicants respectfully disagree with the Examiner's assessment of the *First Data* reference. The assertion that *First Data* teaches automatic sweeping of funds

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from one account to another is simply wrong. Where is the evidence for this position? The cited portion of the reference does not support the Examiner's assertion.

*First Data* is a general description of the services offered by Western Union Financial Services, a subsidiary of First Data Corporation (page 1). *First Data* clearly does not teach or suggest automatic sweeping of funds into a second account from a first account with no individual name. *First Data* merely states that "Western Union continues today to help consumers and businesses securely transfer money and make payments using money orders and other electronic systems." (page 1). Applicants are unable to comprehend how the Examiner can rationally assert that the general statement set forth in *First Data* even marginally implies the specific concept of automatic sweeping of funds to a second account from a first account with no individual name.

Further, Applicants submit that there is no suggestion or motivation to combine the teachings of *Downing* with the teachings of *First Data*. Indeed, *First Data* suggests nothing other than that Western Union should be used to "transfer money and make payments using money orders".

Finally, there is no motivation in *First Data* to modify the teachings of *Downing* to somehow result in any of Applicants' claimed inventions. As will be discussed in additional detail below, neither *Downing* nor *First Data*, alone or in combination, teach a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Likewise, neither *Downing* nor *First Data*, alone or in combination, teach or suggest a system that enables the individual to conduct anonymous transactions using a prepaid negotiable instrument.

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Given that there is no suggestion or motivation to combine the teachings of *Downing* and *First Data*, the Examiner has failed to make a *prima facie* case of obviousness under 35 U.S.C. §103(a) with respect to the combination of *Downing* and *First Data*. This, the rejection is improper and should be withdrawn.

4. Combination of *Downing* with U.S. Patent No. 5,825,003 to *Jennings et al.*

By way of the Office Action dated November 20, 2003, the Examiner asserted that:

It would have been obvious to one skilled in the art at the time of the invention to combine *Downing* in view of *Gustin* in view of *First Data* and further in view of *Jennings* to teach the disclosure. The motivation to combine is to teach a method of transferring funds for customers domestically and internationally as enunciated by *Jennings* (col 2 lines 27-35).

(Office Action, pages 5-6).

Applicants respectfully disagree with the Examiner's analysis. Again, the Examiner has failed to state exactly what is combined to "teach the disclosure", and what aspect of the disclosure is taught. The law requires that a combination of references teach the claimed invention to support a rejection under 35 U.S.C. §103(a), not teach the "disclosure".

Applicants submit that there is no suggestion or motivation to combine the teachings of *Downing* with the teachings of *Jennings*. As stated above, *Jennings* is directed to a system in which funds can be transferred to an account based on customer information that can be automatically accessed by the system rather than needing to be manually entered (col. 2, lines 43-46). The system automatically computes exchange rates and any fees to be charged to the account and displays them to the user so that the user can authorize or cancel the transaction (col. 2, lines 47-50). The system also analyzes the parameters of the transfer to assure that the transfer conforms to pertinent government regulations (col. 2, lines 50-52).

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Contrary to the Examiner's assertion, *Jennings* does not provide a motivation to combine the teachings of *Jennings* and *Downing*. *Jennings* does not teach or suggest use of the account transfer system to enable one person to transfer funds to another person at a different location, as provided by *Downing*. Indeed, the system of *Jennings* enables a person to transfer funds between his or her *own* accounts in various countries ("...there is a need for a system which permits the convenient and reliable transfer of funds by a customer into another account" (col. 2, lines 30-32)).

Furthermore, there is no motivation in *Jennings* modify the teachings of *Downing* to somehow arrive at any of Applicants' claimed inventions. In particular, one of ordinary skill in the art would not look to *Jennings* to modify the teachings of *Downing* to arrive at a system or method involving a licensed money transmitter, direct deposit of funds, sweeping the funds to an account of another entity, or issuing a negotiable instrument, as set forth in various aspects of Applicants' claims. As will be discussed in additional detail below, neither *Downing* nor *Jennings*, alone or in combination with *Gustin*, teach a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Likewise, neither *Downing* nor *Jennings*, alone or in combination with *Gustin*, teach or suggest a system that enables the individual to conduct anonymous transactions using a prepaid negotiable instrument.

Given that there is no suggestion or motivation to combine the teachings of *Downing* and *Jennings*, the Examiner has failed to make a *prima facie* case of obviousness under 35 U.S.C. §103(a) with respect to the combination of *Downing* and *Jennings*. Therefore, the rejection is improper and should be withdrawn.

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(e) Conclusion

Applicants submit that there is no suggestion in *Downing, Gustin, First Data*, and *Jennings*, or in the knowledge generally available to those skilled in the art, to modify or combine the reference teachings. As such, Applicants respectfully submit that the Examiner has failed to make a *prima facie* case of obviousness under 35 U.S.C. §103(a) with respect to the combination of *Downing, Gustin, First Data*, and *Jennings*. As such, the rejection is improper and should be withdrawn.

B. There is No Reasonable Expectation of Success of Combining the References.

Applicants submit that the Examiner has failed to identify a reasonable expectation of success in combining the teachings of *Downing, Gustin, First Data*, and *Jennings*. As such, the Examiner has not established a *prima facie* case of obviousness under 35 U.S.C. §103(a). Therefore, the rejection is improper and should be withdrawn.

Applicants respectfully submit that there is no reasonable expectation of success in combining the reference teachings. The prior art can be modified or combined to reject claims as *prima facie* obvious as long as there is a reasonable expectation of success. *In re Merck & Co., Inc.*, 800 F.2d 1091, 231 U.S.P.Q. 375 (Fed. Cir. 1986). Obviousness does not require absolute predictability; however, at least some degree of predictability is required. Evidence showing there was no reasonable expectation of success may support a conclusion of nonobviousness. *In Re Rinehart*, 531 F.2d 1048, 189 U.S.P.Q. 143 (CCPA 1976). In this instance, Applicants submit that there is no reasonable expectation of success in combining the teachings of *Downing, Gustin, First Data*, and *Jennings* to support a rejection under 35 U.S.C. §103(a).

As discussed in detail above, there is no motivation to combine the cited references. As such, there is no expectation that combining the references would result in a successful combination. Furthermore, there is no expectation that

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combining the references would result in Applicants' claimed inventions, as will be discussed in greater detail below.

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**C. The Combination of References Does Not Teach or Suggest All Elements of Applicants' Claimed Invention.**

By way of the Office Action dated November 20, 2003, the Examiner recited various combinations of the references to render the "disclosure" obvious. As discussed above, it is not the "disclosure" that might be urged as obvious, but rather it is the Applicants' claimed inventions.

To establish a *prima facie* case of obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). "All the words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970). Furthermore, if an independent claim is nonobvious under 35 U.S.C. 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

As stated above, Applicants' inventions are generally directed to various aspects of systems and methods in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24; claims 26-129). Further, some of Applicants' inventions are generally directed to various aspects of systems and methods that enable an individual to conduct anonymous transactions using a prepaid negotiable instrument (Application page 3, lines 8-9; claims 130-157).

In general, none of the references, alone or in combination, teach a system in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the

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financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24). Additionally, none of the references, alone, or in combination, enable an individual to use such a negotiable instrument to engage in anonymous transactions.

In particular, the various combinations of *Downing* with *Gustin*, *First Data*, and *Jennings* do not teach or suggest all elements of any of Applicants' claimed inventions. Thus, it is respectfully submitted that the Examiner has failed to establish a *prima facie* case of obviousness with respect to any of claims 26-157.

(a) U.S. Patent No. 5,963,647 to *Downing et al.*

*Downing* does not teach or suggest all of the elements of any Applicants' claimed inventions. As stated above, *Downing* is directed to a system and method that supports transfer of funds from a source account to a cash access file for cardless withdrawal by both customers and non-customers of a particular financial institution (col. 3, lines 44-47). The cash access file can be accessed virtually twenty-four hours a day by both customers and non-customers (col. 3, lines 56-58). Access is achieved by the recipient entering a codeword selected by the sender, along with a transaction code randomly generated by the system (col. 3, lines 58-60). Once the sender provides the codeword and the transaction code to the recipient, the recipient can receive transferred cash through an ATM, even without using the card to access the system (col. 3, lines 61-64).

*Downing* does not teach or suggest various aspects of claims 26-129, including a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. *Downing* further does not teach



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various aspects of claims 130-157, including a system that enables an individual to conduct anonymous transactions using a prepaid negotiable instrument. Thus, *Downing* is insufficient to support a rejection under 35 U.S.C. §103.

**(b) Combination with U.S. Patent No. 5,963,647 to *Gustin et al.***

The disclosure of *Gustin* is not sufficient to cure the deficiency of *Downing*. As stated above, *Gustin* is directed to an automated banking machine system that performs usual ATM functions but that additionally cashes money orders and checks for the user without the presence or assistance of a teller (col. 3, lines 66-67 to col. 4, lines 1-3). The automated banking machine system allows the depositing of cash into the machine and provides additional functions, such as transferring money by wire, depositing cash into an account or purchasing end user items from the machine (col. 4, lines 4-8).

*Gustin* does not teach or suggest various aspects of claims 26-129, including a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Rather, the system of *Gustin* requires the user to engage in a multi-step process to transfer funds from his or her own account or cash deposit to a recipient (col. 19, lines 10-25).

*Gustin* further does not teach or suggest various aspects of claims 130-157, including a system that enables an individual to conduct anonymous transactions using a prepaid negotiable instrument. Rather, *Gustin* enables bill payment upon inserting a bill, having the system scan the bill, and making payment from the user's account or cash deposit to pay the bill (col. 20, lines 15-65). Thus, the combination of *Downing* and *Gustin* is insufficient to support a rejection under 35 U.S.C. §103.

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**(c) Combination with *First Data***

The disclosure of *First Data* is not sufficient to cure the deficiency of *Downing* and *Gustin*. As stated above, *First Data* reference is a website providing a general description of the services offered by Western Union Financial Services, a subsidiary of First Data Corporation. The description provides that Western Union offers services for the transfer of money and messages. Specifically, the website provides that "Western Union continues today to help consumers and businesses securely transfer money and make payments using money orders and other electronic systems." (page 1).

Clearly, *First Data* does not teach or suggest various aspects of claims 26-129, including a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Further, *First Data* clearly does not teach or suggest various aspects of claims 130-157, including a system that enables an individual to conduct anonymous transactions using a prepaid negotiable instrument. Thus, the combination of *Downing*, *Gustin*, and *First Data* is insufficient to support a rejection under 35 U.S.C. §103.

**(d) Combination with U.S. Patent No. 5,825,003 to *Jennings et al.***

The disclosure of *Jennings* is not sufficient to cure the deficiency of *Downing*, *Gustin*, and *First Data*. *Jennings* is directed to a system in which funds can be transferred to an account based on customer information that can be automatically accessed by the system rather than needing to be manually entered (col. 2, lines 43-46). The system automatically computes exchange rates and any fees to be charged to the account and displays them to the user so that the user can authorize or cancel the transaction (col. 2, lines 47-50). The system also analyzes the parameters of the

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transfer to assure that the transfer conforms to pertinent government regulations (col. 2, lines 50-52).

*Jennings* does not teach or suggest various aspects of claims 26-129, including a system and method in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter. Further, *Jennings* clearly does not teach or suggest various aspects of claims 130-157, including a system that enables an individual to conduct anonymous transactions using a prepaid negotiable instrument. Thus, the combination of *Downing*, *Gustin*, *First Data*, and *Jennings* is insufficient to support a rejection under 35 U.S.C. §103.

**D. Conclusion**

It is respectfully submitted that the Examiner has failed to make a *prima facie* case of obviousness. First, there is no motivation to combine the references. Second, there is no reasonable expectation of success in combining the references. Finally, the combination of *Downing*, *Gustin*, *First Data*, and *Jennings* fails to teach and enable every element of Applicants' claimed inventions as set forth in claims 26-157. Therefore, the rejection under §103(a) with respect to the combination of *Downing*, *Gustin*, *First Data*, and *Jennings* is improper and should be withdrawn.

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**IV. EVEN IF THE EXAMINER HAS MADE A PRIMA FACIE CASE OF OBVIOUSNESS UNDER 35 U.S.C. §103(A), APPLICANTS' CLAIMED INVENTION IS NOT OBVIOUS OVER *DOWNING* IN VIEW OF *GUSTIN*, *FIRST DATA*, AND *JENNINGS*.**

In *Graham v. John Deere*, 383 U.S. 1, 148 U.S.P.Q. 459 (1966), the Supreme Court set forth four factual inquiries to be made when making an obviousness determination. First, the scope and content of the prior art is determined. Next, the differences between the prior art and the claims at issue is ascertained. Then, the level of ordinary skill in the art is resolved. Secondary considerations of nonobviousness may be evaluated. Finally, a determination of obviousness is made. MPEP §2101.

It is respectfully submitted that Applicants' claimed inventions are not obvious over *Downing* in view of *Gustin*, *First Data*, and *Jennings*.

**A. Scope and Content of the Prior Art**

As stated above, *Downing* is directed to a system and method that supports transfer of funds from a source account to a cash access file for cardless withdrawal by both customers and non-customers of a particular financial institution (col. 3, lines 44-47). The cash access file can be accessed virtually twenty-four hours a day by both customers and non-customers (col. 3, lines 56-58). Access is achieved by the recipient entering a codeword selected by the sender, along with a transaction code randomly generated by the system (col. 3, lines 58-60). Once the sender provides the codeword and the transaction code to the recipient, the recipient can receive transferred cash through an ATM, even without using the card to access the system (col. 3, lines 61-64).

*Gustin* is directed to an automated banking machine system that performs usual ATM functions but that additionally cashes money orders and checks for the user without the presence or assistance of a teller (col. 3, lines 66-67 to col. 4, lines 1-3). The automated banking machine system allows the depositing of cash into the

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machine and provides additional functions, such as transferring money by wire, depositing cash into an account or purchasing end user items from the machine (col. 4, lines 4-8).

*First Data* is a general description of the services offered by Western Union Financial Services, a subsidiary of First Data Corporation. The description provides that Western Union offers services for the transfer of money and messages. Specifically, the website provides that "Western Union continues today to help consumers and businesses securely transfer money and make payments using money orders and other electronic systems." (page 1).

*Jennings* is directed to a system in which funds can be transferred to an account based on customer information that can be automatically accessed by the system rather than needing to be manually entered (col. 2, lines 43-46). The system automatically computes exchange rates and any fees to be charged to the account and displays them to the user so that the user can authorize or cancel the transaction (col. 2, lines 47-50). The system also analyzes the parameters of the transfer to assure that the transfer conforms to pertinent government regulations (col. 2, lines 50-52).

**B. Differences Between the Prior Art and the Claimed Invention**

Applicants' inventions, as recited in the different claims, are directed to various aspects of systems and methods in which, among other things, an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24; claims 26-129). Further, some of Applicants' inventions are generally directed to various aspects of systems and methods that enable an individual to conduct anonymous transactions using a prepaid negotiable instrument (Application page 3, lines 8-9; claims 130-157).

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In general, none of the references, alone or in combination, teach a system in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24). Additionally, none of the references, alone, or in combination, enable an individual to use such a negotiable instrument to engage in anonymous transactions.

In particular, with respect to claim 26, none of the references, alone or in combination, teach a payment system including an account maintained at a regulated financial institution and associated with the licensed money transmitter for receiving direct deposits of funds on behalf of individuals not maintaining accounts at the financial institution, a transaction account maintained by the licensed money transmitter, the transaction account being unauthorized to accept direct deposits of funds because of regulatory restrictions, funds in the transaction account being disbursable by said agent terminals, the financial institution responsive to a deposit of a predetermined amount of funds by direct deposit for the benefit of the individual for sweeping the funds represented by the direct deposit into the transaction account, and communicating an electronic notification to the licensed money transmitter of the direct deposit, the licensed money transmitter being responsive to (a) a request for issuance of a negotiable instrument of a predetermined amount and (b) the electronic notification of the direct deposit of funds swept into the transaction account, for issuing a prepaid negotiable instrument in an amount equal to or less than with the amount of the direct deposit, the negotiable instrument bearing identifying information associated with the individual, for use in making financial transactions from the transaction account based on the direct deposit of funds to the financial institution.

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With respect to claim 48, none of the references, alone or in combination, teach a method for a licensed money transmitter to issue a prepaid negotiable instrument to an individual based on a direct deposit of funds to a regulated financial institution, including the steps of: arranging for communication of notifications between a regulated financial institution and the licensed money transmitter corresponding to a direct funds deposit, the direct funds deposit corresponding to a direct deposit of funds to the account of the licensed money transmitter for the benefit of a particular individual, at the regulated financial institution, detecting a direct deposit of funds into an account for the benefit of the particular individual, communicating a notification of the direct deposit of funds to the licensed money transmitter, at the regulated financial institution, and automatically sweeping the total amount of the direct deposit of funds into a transaction account associated with the licensed money transmitter.

With respect to claim 58, none of the references, alone or in combination, teach a computer-controlled negotiable instrument payment system for negotiable instrument transactions conducted by a particular individual based on the direct deposit of funds at a regulated financial institution at which the particular individual does not maintain an account, including a licensed money transmitter that maintains a network of agent terminals, an account maintained at the financial institution on behalf of the licensed money transmitter for receipt of direct deposits for the benefit of individuals not maintaining an account at the financial institution, and an account sweep control module run by a computer system responsive to a notification received via the data communications interface from the financial institution indicating the direct deposit of funds in a predetermined deposit amount into the account at the financial institution for communicating a debit posting message indicating the predetermined deposit amount to the financial institution transaction system, the account sweep control module being further operative for crediting the

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predetermined deposit amount to a transaction account maintained by the licensed money transmitter for the benefit of the individual associated with the deposit.

With respect to claim 85, none of the references, alone or in combination, teach a method for a licensed money transmitter to provide direct deposit capability to individuals without a pre-established relationship with a regulated financial institution such as a bank and to conduct financial transactions with a cash card for accessing funds corresponding to the direct deposit including the steps of establishing a communications channel between the licensed money transmitter and a regulated financial institution for electronic communication of notifications associated with an account associated with the licensed money transmitter, the notifications including notifications of a credit posted to a bank account on behalf of the individual for the account of the licensed money transmitter and notifications of debit of funds from the account of the licensed money transmitter, and at the licensed money transmitter, posting a credit of in the amount of the direct deposit to a transaction account maintained by the licensed money transmitter for the benefit of the individual.

With respect to claim 118, none of the references, alone or in combination, teach a method for a licensed money transmitter to issue a prepaid negotiable instrument to an individual based on the direct deposit of funds at a regulated financial institution, including the steps of: at an agent of the licensed money transmitter, providing the individual with an account number and a PIN for subsequent use in obtaining the issuance of a prepaid negotiable instrument, at the financial institution, receiving a direct deposit of funds for the benefit of the individual for use in connection with funding the issuance of prepaid negotiable instruments, communicating a notification message from the financial institution to the licensed money transmitter indicating the direct deposit of funds to an account associated with the licensed money transmitter for the benefit of the individual in response to the direct deposit of funds at the financial institution, sweeping funds in



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an amount corresponding to the direct deposit of funds from the account at the financial institution to the credit of a transaction account with the licensed money transmitter, at the licensed money transmitter, and receiving a request from the agent for issuance of a prepaid negotiable instrument in a predetermined amount, the request including the predetermined amount and the account number and the PIN previously provided to the individual.

With respect to claim 122, none of the references, alone or in combination, teach a computer-controlled negotiable instrument payment system for negotiable instrument transactions conducted by a particular individual based on the direct deposit of funds at a regulated financial institution at which the particular individual does not maintain an account, including a computer system operated by a licensed money transmitter, a data communications interface associated with the computer system for data communications with a transaction system of a regulated financial institution, and an account sweep control module run by the computer system responsive to a notification received via the data communications interface from the financial institution indicating the direct deposit of funds in a predetermined deposit amount into an account at the financial institution associated with the licensed money transmitter for the benefit of individuals for whom negotiable instruments are to be issued by the licensed money transmitter, the direct deposit of funds being for the benefit of the particular individual, the account sweep control module being further operative for communicating a debit posting message indicating the predetermined deposit amount to the financial institution transaction system, the account sweep control module being further operative for crediting the predetermined deposit amount to a transaction account maintained by the licensed money transmitter for the benefit of the individual associated with the deposit.

With respect to claim 130, none of the references, alone or in combination, teach a method for a licensed money transmitter to provide an anonymous prepaid negotiable instrument for an individual and process anonymous transactions on

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behalf of the holder of the anonymous prepaid negotiable instrument, including the steps of: at the licensed money transmitter, providing an anonymous transaction account identified only by an account number and without an individual name, the account number associated with an unissued zero balance prepaid negotiable instrument; at an agent of the licensed money transmitter, providing a zero balance prepaid negotiable instrument to the individual, the account number of the unissued zero balance prepaid negotiable instrument, and a PIN corresponding to the unissued zero balance prepaid negotiable instrument, at an agent of the licensed money transmitter, and upon verification of the PIN and the account number, receiving an initial deposit of funds from the individual for use in connection with the prepaid negotiable instrument, communicating a message from the agent to the licensed money transmitter indicating the account number of the anonymous transaction account, the PIN, and the amount of the initial deposit of funds, at the licensed money transmitter, storing data indicating the amount of the initial deposit of funds into the anonymous transaction account associated with the account number, at the licensed money transmitter, verifying the PIN and the account number of the unissued zero balance prepaid negotiable instrument, and upon verification of the PIN and the account number, communicating a message from the licensed money transmitter to the agent authorizing the issuance of the prepaid negotiable instruments to the individual in an amount not exceeding the initial deposit of funds.

With respect to claim 135, none of the references, alone or in combination, teach a method for processing financial transactions associated with an anonymous negotiable instrument such as a payment card issued by a licensed money transmitter to an individual, including the steps of establishing at the licensed money transmitter an anonymous sub-account identified only by an account code for use in connection with a negotiable instrument, providing a negotiable instrument identified with the account code and a personal identification number (PIN) to an individual, the negotiable instrument initially having a zero balance of funds available, at an agent

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location, receiving the presentation by the individual of the zero balance negotiable instrument, the PIN, and funds for an initial deposit, communicating the account code read from the negotiable instrument, the PIN, and information indicating the amount of the initial funds deposit from the agent location to the licensed money transmitter, at such time as the anonymous sub-account is depleted of funds, determining whether the individual holding the negotiable instrument has enrolled as a customer of the licensed money transmitter, in response to a determination that the individual holding the negotiable instrument has enrolled as a customer of the licensed money transmitter, obtaining customer identifying information and converting the anonymous sub-account into a non-anonymous sub-account associated with the customer identifying information, and authorizing the non-anonymous sub-account to receive additional funds from the individual, for crediting to the now non-anonymous sub-account.

**C. Level of Ordinary Skill in the Art**

Applicants respectfully submit that the level of ordinary skill in the art is one who is skilled in the field of computer systems for online commerce.

**D. Obviousness Analysis**

Applicants respectfully submit that the claimed inventions as summarized above would not be obvious to one skilled in the computer programming art in view of *Downing*, *Gustin*, *First Data*, and *Jennings*. As stated above, none of the references teach or suggest a system or method or aspects of same in which an individual who does not have a bank account with a particular financial institution is able to have funds directly deposited into a temporary account with a financial institution such as a bank, have funds directly swept from the account at the financial institution by a non-banking entity such as a licensed money transmitter, and obtain the funds in the form of a negotiable instrument from the licensed money transmitter (Application page 2, lines 10-24). Additionally, none of the references, alone, or in combination, enable an individual to use such a negotiable instrument to engage in anonymous

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transactions. Since these (and other) aspects of the Applicants' inventions are not taught or suggested by any of the references, it is not likely that one of skill in the art, namely, a computer system designer in the field of computer systems for online commerce, would find it obvious to create a system according to Applicants' claimed inventions. The omitted elements are not mere variations of the prior art, nor are they so well known that no reference is needed to supply the missing element. Thus, Applicants' claimed inventions would not be obvious to one of ordinary skill in the art over *Downing* in view of *Gustin*, *First Data*, and *Jennings*.

## V. CONCLUSION

Applicants respectfully submit that the Examiner has failed to make a *prima facie* case of obviousness over *Downing* in view of *Gustin*, *First Data*, and *Jennings* to support a rejection under 35 U.S.C. §103. Furthermore, using the *John Deere* factual inquiries, Applicants' submit that the differences between the prior art and the claimed inventions would not be obvious to one of ordinary skill in the art. Accordingly, Applicants respectfully request withdrawal of this rejection.

For at least the reasons stated above, it is respectfully submitted that all of the present claims are in condition for allowance.

Respectfully submitted on behalf of Applicants,  
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CERTIFICATE OF FACSIMILE

The undersigned hereby certifies that on February 20, 2004 this document for Application Serial No. 09/552,073 was sent by facsimile to the attention of Examiner Akers in Group Art Unit 3624 at facsimile number (703) 308-3687.

  
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